

contact

Skandia
Customer Information
Issue 2013



Safely on course



«Eyes on the best financial and insurance solution»



The economy:
retrospective and outlook



Personal pension plan: bank or insurance product?



Dear Customer,

2012 will go down as a year of restructuring and a new direction for Skandia in Switzerland. In a difficult market with increasing regulatory supervision, falling interest rates and turbulent financial markets, Skandia has transformed itself into a leaner and more flexible insurance company:

Skandia will react flexibly and quickly as macroeconomic distortions are increasingly marked and occur at ever shorter intervals.

In the future, Skandia will be able to better serve its 45,000 customers as a result of a more versatile and efficient organisation.

In 2013 Skandia will also further optimise processes and services to provide customers with an expert, reliable service. This focus is already bearing fruit: towards the end of this financial year, Skandia pension products considerably exceeded the benchmark performance targets.

I have been working closely with Skandia for some years as an independent entrepreneur in organisational development and project management, and in July 2012, I assumed leadership of the company as part of the new direction mentioned above.

I am looking forward to the new year with confidence that we are equipped for change, due to the fact that in this role I am able to count on a strong team which is highly motivated to implement the above measures.

Thank you for the confidence you have shown in us.

Skandia Leben AG

Patrick Knecht
Chief Operations Officer

Contact information

If you have questions about your policy, your investment, or general suggestions, please call us on +41 44 388 28 07.

Or fax us on +41 44 388 28 38, or send an e-mail to customerservice@skandia.ch

Skandia Customer Service will be pleased to help you from Monday to Friday, 9 am – 12 am and 1 pm – 4 pm CET.

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«Eyes on the best financial and insurance solution»



Skandia sales partner and former professional athlete
Rolf Simmen

Former ice hockey goalie, now a financial consultant and advisor to players, Rolf Simmen and his firm Rolf Simmen Consulting AG in Rotkreuz (canton of Zug) have their sights firmly on clients' security and success, both sporting and financial.

Mr Simmen, you were previously goalie for ice hockey clubs EHC Kloten, EV Zug and Zürcher Schlittschuh Club (ZSC). What did the sport teach you about life?

Rolf Simmen: Elite sport is the best training for life. You learn first-hand how to be tenacious and disciplined, and how to handle success and failure.

Have you been able to apply this to your professional life?

Of course, these experiences are generally very valuable in professional life and especially with regard to my work, because elite athletes represent a major segment of my firm's clients. As a former athlete, I have a good understanding of what matters to athletes and how they think.

What is the most important approach you take to financial advice?

I take a neutral and independent approach to finding the best and most advantageous financial and insurance products on the market, so that clients have extra funds at their disposal for holidays, for example or, in the longer term, for owning their own homes which is a frequent wish.

Your slogan is «Quality of life through personal financial planning». Could you give us an example?

My work is best compared to that of an architect; I too construct a «house», a «financial house», on the client's behalf. Life insurance products as offered by Skandia form the basis and create a firm foundation. The best value for money is decisive when choosing the product. The next stage is fine-tuning and further financial investments. Clients realise that this carefully thought-out concept provides good, reasonable coverage for every eventuality and has general financial advantages, which can have a positive impact on my clients' emotional well-being.

Athletes learn to emerge stronger from crises. Can this ability also be applied to the current financial market situation?

My experience tells me that, basically, athletes are no different from other clients, even if they may have had more intensive lessons in being patient in difficult times and looking to the future.

Success is a personal thing. What does it mean to you?

As far as I'm concerned, a successful person is one who manages to organise life so that he or she is happy and content, irrespective of what they do, whether young or old, rich or poor. Of course this also includes good health, which unfortunately can only be influenced to a certain extent. I admire people who have suffered misfortunes and yet radiate great contentment. In my opinion, society too often equates success with material possessions and status.

And what about security?

In troubled times such as those we are currently experiencing, I feel that fundamental values such as family, friends and professional fulfilment are very important. Where financial investments are concerned I have always taken a conservative approach, i.e. security before returns, for myself and for my clients.

What has been your greatest success – as a player and as a financial consultant and player adviser?

EV Zug's promotion from National League B to League A is extremely memorable, as is third place in the Championship, when ZSC beat the almost-invincible Lugano in the playoffs. As a financial consultant and player adviser, I am especially delighted by Martin Gerber's admirable progress from Bernese ice hockey club Langnau to America's National Hockey League (NHL), in which I've played a part.

Let's take a look at the waning financial year. What do you make of it? And would you risk making a prediction?

We've had an unpredictable political and economic environment for some time now, which makes correct decisions difficult. Predictions from banks and economists are also less reliable. Personally, I think that the problems can be solved and the situation will thus become more stable in the medium term, and we will be able to take a more optimistic view of the future. It is important to have robust financial and life planning which anticipates potential surprises and which can swiftly adapt, depending on the circumstances.

Personal details

Rolf Simmen (born 1960) has been a Skandia sales partner since 1998. With a degree in Business Administration, he has specialised in financial planning and sports consultancy.

The former ice hockey goalkeeper for EHC Kloten, EV Zug and ZSC (260 NLA games) and his company now advise individuals, athletes and businesses. Rolf Simmen is also a sports agent and father of two children.

The economy: retrospective and outlook

Swiss francs: Easy come, easy go

In 2012 the Swiss National Bank (SNB) was able to credibly defend the exchange rate floor of EUR 1.20/CHF, which is below the current purchasing power parity of EUR 1.30/CHF. It was obviously a great weight off Switzerland's shoulders when, in September, the President of the European Central Bank (ECB), Mario Draghi, announced the mass purchase of bonds from the imperilled Euro states. Switzerland's economic lifeline, the franc, happily swung in the direction of purchasing power parity against the euro. The ECB's efforts were not, however, enough to credibly cushion the risk from the ailing Euro states.

Shares: Propped up by government

Despite a difficult EU environment, the Swiss economy had a very good year in 2012, for which the Swiss can thank their own strong and stable demand, especially from consumers. Exports did not fall so sharply as a result of the SNB propping up the exchange rate.

This year, markets in the USA were affected by the risks from the Euro zone and the presidential elections. The USA's massive economic programme attempted to get the economy moving again. Share markets rose on the back of positive expectations of this programme's success. Expiry of the fiscal support programme («fiscal cliff») at the start of 2013 is, however, having the opposite effect. The markets have serious concerns about whether President Obama will manage to bring this programme under control.

European shares made a very good recovery in 2012. This recovery was triggered on the one hand by the surprisingly good results from Germany and on the other by the gradual solution to the debt problem.

Bonds: A bird in the hand is worth two in the bush

Unlike interest on European or American Treasury bonds, after adjustment for inflation, interest on ten-year Swiss Treasury bonds has been positive, as a result of which savers' purchasing power is growing, even if only very slightly. The prices for Swiss bonds steadily rose across the board in 2012.

The Federal Reserve System (Fed) supplies the economy with capital through strong purchases of bonds and other transactions. These measures led to very good rises in bonds denominated in US dollars.

Outlook 2013: Pride goes before a fall

From the current viewpoint, 2013 will be a very unsettled economic year. The EU is fighting high rates of unemployment and significant social unrest. The USA has a sword of Damocles, in the form of the «fiscal cliff», hanging over the economy. All these are signs of lower demand from these regions. The question arises as to whether the emerging markets of Asia, South America and Africa can cushion this drop in demand. If not, Switzerland may be caught on the back foot.



«I feel at home»

Inger Meili
Team Leader
International Desk

After working for a major bank for a few years, in autumn 2012, you came back to Skandia. What motivated you to take on such a challenge shortly before retirement?

After several years with the bank, I felt like a change. I jumped at the chance when Skandia was looking for someone for international business. I had worked at Skandia from 1997 to 2008 and back then enjoyed the close contact with customers and the good team spirit in the teams. I'll be retiring in three years and I want to fill the time left with an exciting job. Despite the current market situation which is not exactly easy, I feel very at home in my new role.

Every day, you provide support for our customers and their needs. What particularly matters to you?

Our customers should feel that we have their interests at heart all the time; that we are there for them when they need help and always endeavour to find the best solution for them. The active, close cooperation between our various departments helps me to handle the different enquiries and concerns swiftly and efficiently, so that I can give customers a satisfactory answer as quickly as possible. The good cooperation also helps to keep the error rate as low as possible. I also think a good personal relationship with customers is very important.

What advice are you able to give to customers who are very worried about their investments because of the current economic crisis?

It's quite simple – keep calm and ride out the crisis. The markets are constantly fluctuating, sometimes up, sometimes down. They shouldn't lose sight of the long-term nature of their insurance and savings scheme especially during a sustained downward movement. Nervous switching of funds often achieves little because you tend to be a little behind the markets. If in doubt, customers should get together with their financial advisers to get a clear picture of their investments and their personal policy value on maturity.

Personal pension plan: bank or insurance product?

Many countries regard Swiss old-age pension provision as exemplary. The strength of its three pillar system lies in the balance between the State pension (pillar 1), statutory collective provision (pillar 2) and private, or personal pensions (pillar 3). Skandia's unit-linked life assurance makes an important contribution to this system.

Aims of personal pension provision (pillar 3)

Personal or «tied» provision closes the gaps left by pillars 1 and 2, with the aim of building up capital to finance retirement. Third pillar payments are tax deductible. Tied provision also makes it possible to provide a secure financial future for the individual's partner, children, or other loved ones in the event that unforeseen events have financial consequences.

Advantage of insurance products: extended scope of benefits!

Both bank products (savings only, without insurance coverage) and insurance products (savings and term life assurance coverage in one) achieve the primary aim of pension provision with a tax benefit. Only insurance products, however, provide financial security for loved ones. You can stipulate who should receive the insurance payments in the event of the insured's demise. Another advantage is that insurance benefits can neither be pledged nor included in bankruptcy assets before they mature.

The safe way to reach your savings target

With an insurance product, you are also sure to reach your savings target, even if fate strikes you a personal blow such as inability to work following illness, or an accident, and you are no longer in a position to provide the funds for your savings target.

A «waiver of premium» means that the insurance will continue to pay the premiums for you until the end of the policy, so that you can safely build up the capital for your retirement. If you include a death benefit, you will also be ensuring that you will leave behind savings for your loved ones.

Separate or combined savings and term life coverage?

The insurance company will require an appropriate premium in order to guarantee these benefits. In fact, you can take out term life coverage separately from savings plans, but term life premiums can't then be deducted for tax purposes. Where personal pension products are concerned, they can also be deducted from taxes, which considerably reduces the cost of term life insurance.

Finding the right pension scheme and pension product is complicated – you should always consult an independent specialist.



«Every customer is unique»

Andrea Ermanni
Claims & Underwriting
Specialist

You were born in the canton of Ticino, live in the canton of Freiburg and started work at Skandia in Zurich in summer 2012. What is it about your job that you find fascinating?

I like the diversity of customers and their different needs and characteristics, because in the final analysis, a life assurance policy is about insuring a person. The field in which I work, risk assessment (underwriting) and claims settlement, always centres on human life. Everyone is unique and different and this rubs off onto my life. I'm always busy as a result of contact with people from different cultures who speak different languages.

As a claims specialist, you have to handle various cases every day. What, in your opinion, are the specific advantages of unit-linked life assurance?

The main advantage of unit-linked life assurance is that it offers the customer an on-going, regular savings scheme with insurance coverage. The guaranteed insurance sum is paid out as a minimum in the event of death, and the value of the selected units when the policy matures. In addition, the customer doesn't have to worry about complicated fund management. The insurance provider takes expert, professional care of this. This makes life much simpler for the customer in an increasingly hectic world.

What is particularly important to you when collaborating with our customers?

Our customers' long-term satisfaction. In my work, I always try to find a solution which offers our customers added value and additional security now and in the future. I feel that, especially in difficult economic times, an efficient and successful company is based on a long-term, close customer relationship. This applies above all to life assurance, which is often of a long duration. Last, but not least, straightforward, comprehensible communication with customers creates the conditions for me to be effective (achieve goals) and efficient (profitable) in my daily work.